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1960 ANNUAL REPORT

GENESCO

first in apparel and footwear

GENESCO is an organization of craftsmen and specialists devoted to creating and supplying the most attractive apparel and footwear. With its world-wide affiliations, creative designers, and leading retail stores in strategic centers, GENESCO knows apparel.

GENESCO produces diverse lines of merchandise in specialized manufacturing plants. Each line carries its own established trade name. Many are nationally advertised and are sold in retail stores throughout the United States and in many foreign countries.

With the experience of the past as a foundation, GENESCO builds for the future on research and science, combined with the young spirit of a diversified management team.

GENESCO is the world's largest and most diversified producer of apparel and footwear.

GENESCO Inc., *Nashville, Tenn., U.S.A.*

SUMMARY, YEAR ENDING OCTOBER 31, 1960

	1960	1959
Net sales	$321,191,149	$276,422,417
Net earnings, after taxes	8,207,420	8,642,891
Total assets	155,726,631	128,846,191
Net worth	99,608,210	76,558,967
Earnings per share, common stock	$2.17	$2.66

MAXEY JARMAN
Chairman

GENESCO ANNUAL REPORT

BEN H. WILLINGHAM
President

TO OUR STOCKHOLDERS:

For our business year ended October 31, 1960, we set a new record in volume of business with net sales to customers of $321,191,149. Compared with last year this represents an increase of 16%.

In spite of this increase in volume, our net earnings are down, although they represent the highest amount we have ever had, excepting last year. Net earnings for the year, after taxes and allowances for minority interests, amounted to $8,207,420 which represents a decrease of 5% from last year. On a per share basis this amounted to $2.17 per share of common stock, on the average number of shares outstanding. Dividends during the year were $1.55 per share, as we raised the quarterly rate from 37½¢ to 40¢ for the last two quarters. During the year we paid out our 113th consecutive quarterly dividend.

It has been our policy to pay dividends on a liberal basis since we feel that stockholders are entitled to a good return on their investment in our kind of Company. We would like to call your attention to the chart on page 9, which shows that our dividends per share, after adjusting for stock splits, have increased more than three times over the last 20 years. Each time we have raised the dividend we have held it for a while, then as soon as we thought we could maintain another higher level we have raised the rate again. We feel that this is the right dividend policy even though it has meant that we have had to go into the capital market from time to time to help finance our growth. During the past five years dividends averaged approximately 65% of total net earnings.

Dividends on the preference shares have been paid in accordance with the terms of the issues.

ACQUISITIONS DURING THE YEAR

During the past year our Company has made three important acquisitions that we feel have greatly strengthened our position as first in the apparel field. On December 31, 1959 we acquired L. Greif & Bro., Baltimore, Maryland. Greif operates nine manufacturing plants in Pennsylvania, Maryland and Virginia, and is one of the largest men's clothing manufacturers. Greif has been in business almost one hundred years, has an excellent reputation, and continues to show fine earnings.

Greif was acquired on a cash basis, and to finance this we offered to the public, through Blyth & Co., investment bankers in New York, and an associated group of underwriters, 500,000 shares of stock. Proceeds to the Company were $15,817,946. When we registered this issue, we also registered sufficient GENESCO stock to make an exchange offer for the minority interests in the Hoving Corporation. At the first of this year we owned approximately 75% of Hoving Corporation stock and made an offer to the minority holders to exchange GENESCO stock for Hoving stock. A large percentage accepted the offer and we now own approximately 94% of Hoving Corporation stock. This has the effect of reducing the minority interest which has been shown on our balance sheet, and increases the amount of GENESCO stock outstanding.

We also acquired, as of June 24, 1960, by an exchange of stock and on a pooling of interest basis, Kingsboro Mills, Inc., Chattanooga, Tennessee. Kingsboro has its own knitting mills making tricot fabric, and manufactures from this fabric women's lingerie under the trade name of Rogers. Kingsboro has three plants in Tennessee. It is nationally advertised and is one of the best known and best designed lines of lingerie. This business continues to be profitable. Both Greif and Rogers have splendid management, which continue to operate those divisions.

Another group of women's shoe stores became a part of GENESCO during the year—Wise Shoe Stores of New York, a group of 15 stores, important customers of our New England plants.

BACKGROUND OF ECONOMIC CONDITIONS

The decline of profit, particularly during the poor third quarter, has been a matter of serious concern and disappointment to management as well as to stockholders. The fact that general economic conditions in 1960 have not been as favorable for profits in many companies does not relieve the disappointment in our own operation.

In order to give some background for the situation that has developed, it is necessary to go into detail. During 1959, hide and leather prices had strong advances and it appeared as our year ended that this condition was going to continue to exist. Within a relatively short period conditions in the hide market changed considerably, prices began to decline, and leather prices followed. Furthermore, retailers having stocked up as shoe prices went up, then seeing leather prices decline, held off on their buying so that footwear business was difficult to get. We made a policy decision in the early spring that we would make some important reductions in price to maintain our hold on the market and keep our factories operating at a good capacity. We anticipated that our material costs would decline and take much of the price reduction. However, material costs did not decline as fast as we expected. We had put in a labor increase in a good many of our plants, and that, together with increasing general expenses of social security taxes and other external expense items, put us in a tight position in our popular priced footwear operations in the South. We did maintain a good pairage volume, but because our costs did not decline as much as our selling prices, maintaining the volume was an expensive operation. This began to develop in the second quarter, but showed up in a strong way in the third quarter. During the fourth quarter the trend has taken a turn for the better, and we expect to continue to move in the right direction until we get back to a normal profit position.

DEVELOPMENT EXPENSES

We also had heavy development expenses during the past year. More than a year ago, our Formfit operation in Chicago introduced a new type of rubber girdle, Sleex. In this phase of the apparel business, national advertising is extremely important and is a sizeable percentage of the cost of the product. In order to introduce a new product a considerable amount of money has to be invested in advertising, and this particular development during the past year has cost us a large sum of money. We believe the cost is well worthwhile, and really consider it an investment,

although of course it has been charged to expense. In addition to this, we have had certain other development expenses—new footwear divisions in the South, one under the name Charm Step, which offers to smaller retailers most items of women's shoes, and the other, a new line of children's shoes under the name "No. 26." These operations are beginning to show splendid results. However, during the past fifteen months they have represented a considerable loss. During the past year we have liquidated certain operations that did not have a good profit potential: Saval Shoe Company, Los Angeles; a plant at Holliston, Massachusetts, and a plant at Goffs Falls, New Hampshire, have been closed. Production of these plants has been absorbed into others.

Our general retail operations have not been quite as profitable as we would have liked to see them, although this does not represent an important change from the previous year. Retail sales volume has not been up to expectations during the year, even though it has shown an increase; this is more or less the pattern of the retailing field generally. We believe that our inventories are in better shape today than they were twelve months ago, and therefore a brighter picture is developing.

The book value of our common stock is $23.22 as compared with $20.32 last year, an increase of $2.90 per share. Our current ratio is 5 to 1, and our working capital is $102,574,907. Our long term debt went up slightly during the year because of some long term debt that we acquired with L. Greif & Bro., making the total amount $29,384,000. This is approximately 23% of our total capital and debt.

RESEARCH AND NEW PRODUCTS

Our research departments have been very active and have come up with some interesting new developments. One of the most important is a new basic shoe construction called 'Magic Rim.' By this process we are able to produce both men's and women's shoes that are much more flexible and lighter in weight, and on which there are fewer manufacturing operations. We believe that 'Magic Rim' has great possibilities and are now offering to license other shoe manufacturers to use the process. Our tannery also has developed a further improvement in our Evershine leather. This new additive to the tanning process, called Adiprene, is the result of a joint effort between our Company and DuPont. It not only makes it possible to have any type of finish on the leather, either Evershine or on duller finishes, but makes the leather almost scuff proof. Tests have shown it superior, in this respect, to any other leather on the market.

We have added certain diagonal constructions in our foundation garment operations which we feel are much better adapted to the body in motion, and in all of those products we feel that this is an important consideration not given enough attention by others.

Our men's clothing and lingerie operations both have developed garments with some of the new 'miracle' fibres which have important improved characteristics.

We are now producing a considerable amount of footwear, of excellent appearance, made with materials other than leather—some of them using 'miracle' products of man-made materials. These have an excellent appearance, much more uniform than leather, will wear better, are more scuff resistant, and generally have a better finish than is possible with leather. These various materials have made it possible to produce economical footwear with longer wearing characteristics and improved fitting qualities.

OTHER NEW DEVELOPMENTS

We previously have referred to another new development of the Company during the past year—a new line of children's shoes under the brand name 'No. 26.' This line of shoes is based on studies that have been going on for thirty years at the University of Rochester's Gait Laboratories. This has been a study of the foot in motion. We are using special lasts, which better meet the functional needs of normal feet, developed as a result of research work at Rochester, and have had marvelous results in outstanding stores. Production still is limited, but we are increasing it as rapidly as possible. This, too, is an expensive new development, but one we feel has long term potentialities for profit as well as great service to the customer.

Many new things are occurring in the apparel industry and we are conducting experiments in various phases. These include new developments in retailing—of self service as well as self selection, new types of locations with individual drive-in parking, new types of merchandise control, and electronic machines for developing sales data quickly.

Our Company now has important retail operations in women's specialty stores, men's apparel stores, and footwear stores. It is our policy not to own real estate for retail purposes and the various stores that we operate are all on a leased basis. We consider these leases as important assets. The retail operations give us excellent and early information on fashion trends in all phases of apparel. They also enable us to understand the problems of our more than 20,000 retail distributors in a better way so that we can serve them better. We use the products of many other manufacturers in our retail operations as well as our own products.

We are now starting a special-order custom-shirt manufacturing operation, at popular prices, at Paterson, N. J. This will be under way by January 1 and we expect good results from it.

We are extending our international developments in various ways through executives located in foreign countries to help develop further our foreign plants. We have increased considerably our imports which we distribute through our own retail operations as well as through other retailers, and we are increasing our licensing and technical service arrangements in various divisions.

NEW FISCAL YEAR IN '61

It is our current plan to propose to stockholders at the annual meeting in March a change in the ending of our fiscal year to July 31. We believe that the July 31 fiscal year ending is much better for the present makeup of our Company with its large retailing and types of apparel manufacturing other than shoes.

Our relations with our employees have been good. We have continued our strong management development program, and are developing our communications program in an important way.

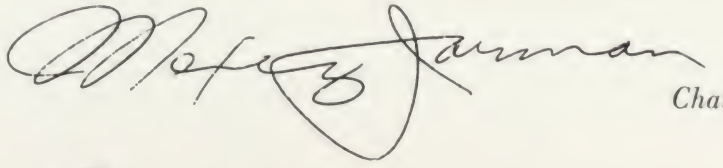
ESTIMATES FOR THE FUTURE

Our preliminary estimates for the coming year appear to be favorable. Assuming a reasonable continuation of good economic conditions in a general way throughout the United States we expect the November, December, January quarter to show an increase, and we confidently expect to have further increases as time goes on.

Careful examination has been made, and will be made on a continuing basis, to avoid a conflict of interest on the part of any of our management people in relationships with any outside firms or concerns with whom we do business. We believe that we have sufficient control to protect the corporation on these matters. A copy of detailed policy in regard to management conflict of interest will be sent on request.

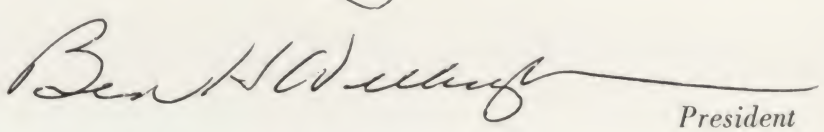
At this time we do not contemplate any major acquisitions that we expect to materialize in the near future. However, we do consider carefully the various propositions that are presented to us from time to time. In line with our past expressed policy, we expect to make further acquisitions in the field of things that people wear when desirable concerns that fit into our over-all pattern can be secured on an attractive price basis. These must be of sufficient size to make them attractive, have an earnings record and earnings outlook for the future that will enhance the earnings prospects of our stock on a per share basis, and of course there must be management available to properly handle these developments.

GENESCO is now the largest manufacturer in the apparel and footwear field. We believe that even this does not measure fully the leadership that we have in the various important companies, brand names and operations that make up this organization. Our operating companies are making outstanding plans for the future, and with the opportunities ahead we are expecting to continue important growth.



Chairman

December 12, 1960



President

CONSOLIDATED BALANCE SHEET

As of October 31, 1960, with comparative figures for the previous year.

GENESCO

ASSETS

	1960	1959
CURRENT ASSETS:		
Cash	$ 6,574,081	$ 9,878,081
U. S. Government and municipal securities, at cost which approximates market	400,000	2,237,643
Receivables, less allowance for doubtful accounts and discounts	46,628,543	32,061,569
Inventories, at lower of approximate average cost or market:		
Finished shoes and other merchandise	57,509,067	48,911,056
Raw materials and work in process	17,113,154	11,976,377
TOTAL CURRENT ASSETS	128,224,845	105,064,726
Officers' and employees' stock purchase accounts, secured	14,661	670,251
Investments in and advances to subsidiaries not consolidated, less reserves (note 1)	7,659,932	7,215,071
Other investments, at cost	182,255	204,284
Plant, equipment, and leasehold improvements, at cost less accumulated depreciation and amortization $13,516,288	18,734,915	13,612,326
Investments in consolidated subsidiaries in excess of tangible equity	689,840	1,840,568
Patents and trademarks	1	1
Debt discount and expense, less amortization	220,182	238,964
	$155,726,631	$128,846,191

LIABILITIES

CURRENT LIABILITIES:		
Accounts payable and accrued expenses, including for 1960 current installments on long-term debt $646,000	$ 20,930,938	$ 13,201,312
Federal and state taxes on income, estimated	4,719,000	7,060,000
TOTAL CURRENT LIABILITIES	25,649,938	20,261,312
LONG-TERM DEBT (note 2)	29,384,000	27,625,000
MINORITY INTERESTS	1,084,483	4,400,912
STOCKHOLDERS' EQUITY (notes 3 and 4):		
Cumulative preference stock of $100 stated value per share	12,740,000	13,378,900
Common stock of $1 par value per share. Authorized 5,000,000 shares; outstanding 3,711,258 shares	3,711,258	3,019,286
Additional paid-in capital	38,475,049	20,437,294
Earnings retained in business	44,681,903	39,723,487
TOTAL STOCKHOLDERS' EQUITY	99,608,210	76,558,967
	$155,726,631	$128,846,191

See accompanying notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED EARNINGS

for the year ending October 31, 1960, with comparative figures for the previous year.

and consolidated subsidiaries

	1960	1959
Net sales, including sales of leased departments	$321,191,149	$276,422,417
Cost of sales, selling, administrative, and general expenses (depreciation, amortization, lasts, dies, and patterns $4,575,062)	305,625,334	257,983,177
Interest on long-term debt	1,075,514	1,015,000
Other charges (income), net	(402,269)	317,939
Federal and state taxes on income, estimated	6,489,000	8,217,000
	312,787,579	267,533,116
Net earnings before minority interests	8,403,570	8,889,301
Less earnings applicable to minority interests	196,150	246,410
NET EARNINGS FOR YEAR	$ 8,207,420	$ 8,642,891
STATEMENT OF CONSOLIDATED EARNINGS RETAINED IN BUSINESS		
Balance at beginning of year:		
GENESCO Inc. and consolidated subsidiaries	$ 39,723,487	$ 28,807,564
Company accounted for as pooling of interests	2,877,287	7,624,407
	42,600,774	36,431,971
Net earnings for year	8,207,420	8,642,891
	50,808,194	45,074,862
Dividends:		
Preference stock	597,287	622,592
Common stock	5,447,994	3,920,331
Pooled company, prior to pooling of interests	81,010	808,452
	6,126,291	5,351,375
Balance at end of year	$ 44,681,903	$ 39,723,487
STATEMENT OF CONSOLIDATED ADDITIONAL PAID-IN CAPITAL		
Balance at beginning of year	$ 20,437,294	$ 18,320,024
Increase resulting from:		
Excess of sales price or fair market over par and stated value over cost, of common shares issued and preference shares purchased, net of expenses	17,926,603	318,378
Excess of capital of pooled company over the par value of GENESCO Inc. stock issued in exchange	111,152	1,798,892
Balance at end of year	$ 38,475,049	$ 20,437,294

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OCTOBER 31, 1960

(1) PRINCIPLES OF ACCOUNTING:

All subsidiaries are consolidated except three subsidiaries which engage in operations of an unrelated nature, and seven subsidiaries whose assets and operations are not considered significant, in the aggregate. The equity in the earnings of the nonconsolidated subsidiaries for the year and the dividends received therefrom amounted to $19,295 and $75,934, respectively. The total equity in the nonconsolidated subsidiaries exceeds the investment costs less reserves by $1,203,874.

During 1960, GENESCO Inc. issued 109,678 shares of common stock in connection with a "pooling of interests" with Kingsboro Mills, Inc. Accordingly, the consolidated financial statements for 1960 include the operations of Kingsboro Mills, Inc. from the beginning of the fiscal year (sales $10,032,068 and operating profit $536,285). Operations of L. Greif & Bro., Inc. and other companies acquired during the year are included since the respective dates of acquisition.

(2) LONG-TERM DEBT:

The long-term debt consists of the following:

3.30% debentures dated March 1, 1955, due March 1, 1980 with annual payments of $375,000	$ 9,218,000
3.25% notes payable dated January 1, 1955, payable $278,000 semi-annually beginning July 1, 1962 with final payment on January 1, 1980 equal to unpaid balance	10,000,000
4.50% note payable dated July 29, 1957, payable $2,666,666 annually beginning November 30, 1961	8,000,000
5.00% note payable dated April 23, 1957, due April 1, 1969 with annual payments of $271,000	2,166,000
	$29,384,000

(3) STOCKHOLDERS' EQUITY:

The various debt indentures and the Series D preference stock restrict stockholders' equity except as to $43,160,907.

Preference stock is comprised of:

Cumulative preference stock of $100 stated value per share. Authorized 172,000 shares; outstanding:

Series A, $3.50 dividend, 28,703 shares	$ 2,870,300
Series B, $5.00 dividend, 16,521 shares	1,652,100
Series C, $4.50 dividend, 12,976 shares	1,297,600
Series D, $5.00 dividend, 69,200 shares	6,920,000
	$12,740,000

(4) STOCK OPTIONS:

Under the company's stock option plan, 125,000 shares of common stock have been reserved for issuance to certain employees at not less than 85% of market value at date of grant. Of the options granted under this plan (36,800 in 1960 at $28.05 per share, 60,562 in 1958 at $19.34 per share), 17,696 shares have been issued, of which 7,747 shares were issued in 1960 at prices averaging $19.56 per share.

The company has also reserved under an employee stock purchase plan, 60,000 shares of common stock to be sold generally at 90% of market value. Under this plan, 6,014 shares have been sold to employees, of which 1,677 shares were sold in 1960 at prices averaging $33.72 per share.

(5) LONG-TERM LEASES:

The minimum annual rentals on properties, including those sold in 1960, leased for terms of more than five years approximates $7,005,000. During the year the company realized a net gain of $1,200,000 after taxes from sale of acquired manufacturing properties.

ACCOUNTANTS' REPORT

The Board of Directors and Stockholders

GENESCO Inc.:

We have examined the consolidated balance sheet of GENESCO Inc. and consolidated subsidiaries as of October 31, 1960 and the related statements of earnings, earnings retained in business, and additional paid-in capital for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and statements of consolidated earnings, earnings retained in business, and additional paid-in capital present fairly the financial position of GENESCO Inc. and consolidated subsidiaries at October 31, 1960 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

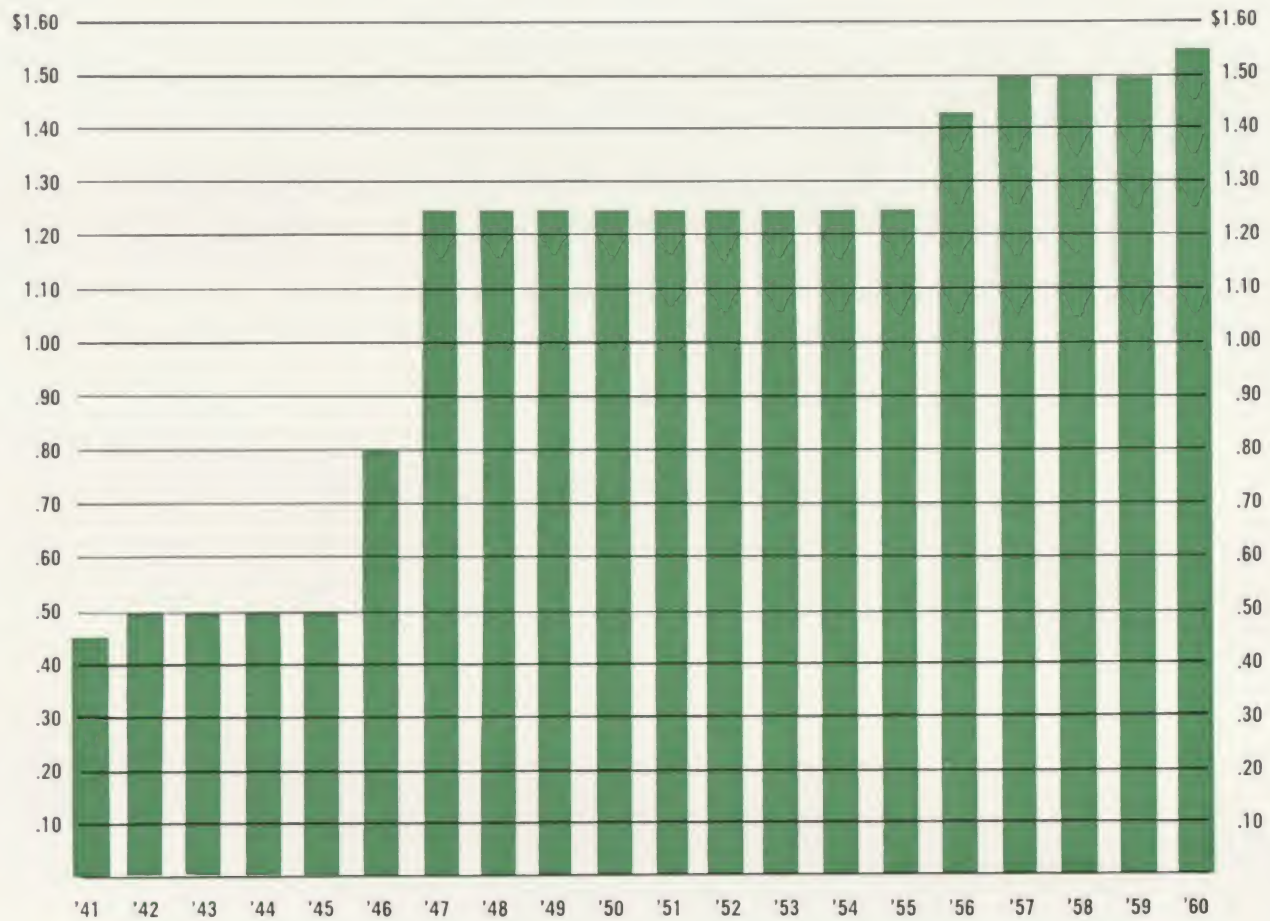
PEAT, MARWICK, MITCHELL & CO.

Nashville, Tennessee
November 23, 1960

GENESCO DIVIDEND RECORD

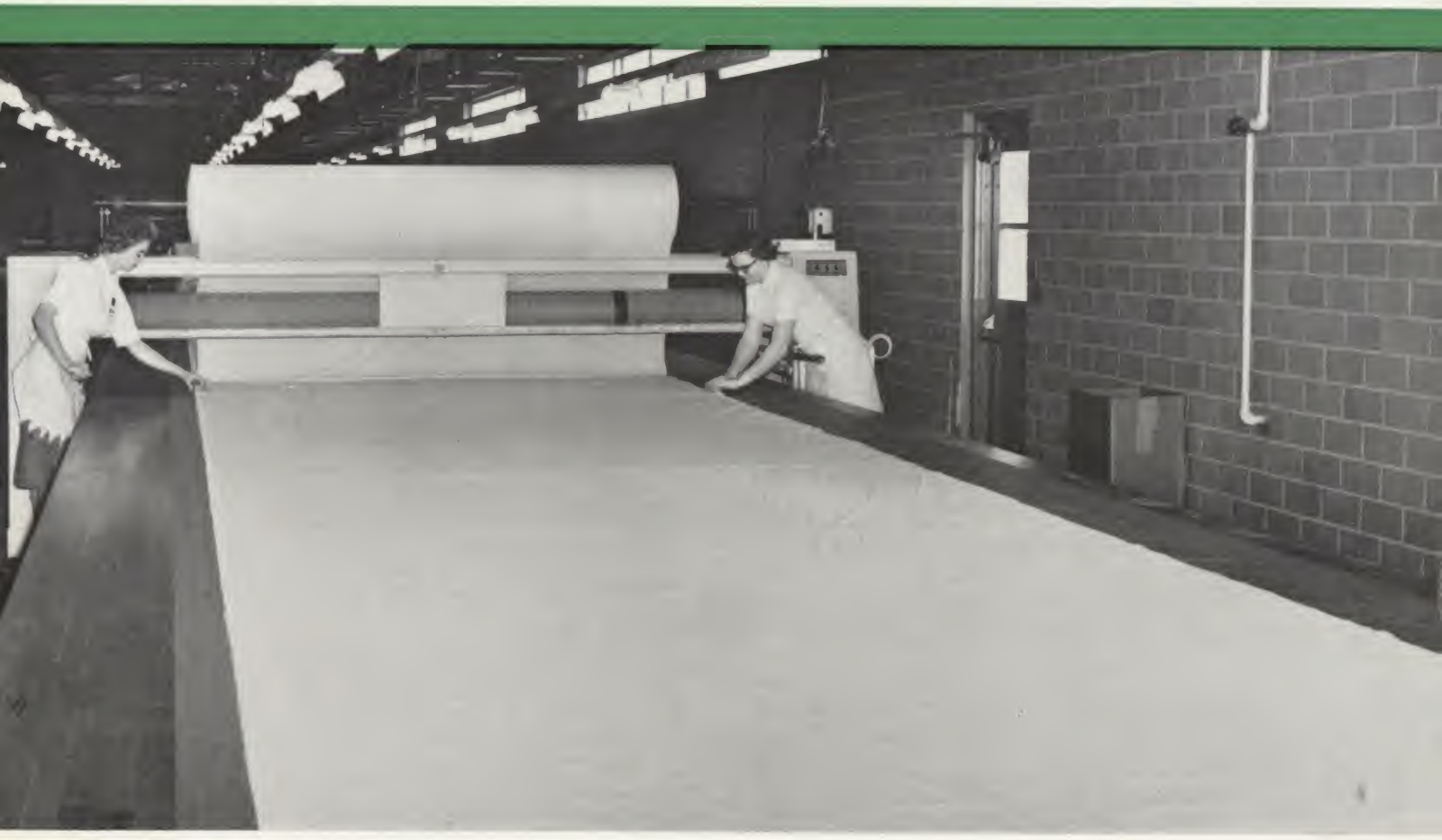
On October 31st GENESCO paid out its 113th consecutive quarterly dividend. The quarterly dividends have increased 3.4 times during the past twenty years. This is the GENESCO dividend record for the years, adjusted for stock splits.

1941 ..... 0.45	1945 ..... 0.50	1949 ..... 1.25	1953 ..... 1.25	1957 ..... 1.50
1942 ..... 0.50	1946 ..... 0.80	1950 ..... 1.25	1954 ..... 1.25	1958 ..... 1.50
1943 ..... 0.50	1947 ..... 1.25	1951 ..... 1.25	1955 ..... 1.25	1959 ..... 1.50
1944 ..... 0.50	1948 ..... 1.25	1952 ..... 1.25	1956 ..... 1.43¾	1960 ..... 1.55



NEW DEVELOPMENTS IN GENESCO MANUFACTURING OPERATIONS

GENESCO's new men's shoe plant at Lewisburg, Tennessee. Among the many names that mean GENESCO in the men's and boys' shoe field are: Johnston & Murphy, W. L. Douglas, Hardy, Cedar-Crest, Crestworth, Frank Brothers, Fortune, Davidson, Skyrider, Official Boy Scout Shoes, Jarman, Flagg Bros., Safety First, Statler and Kingston.



A modern plant in Fulton, Mississippi, manufactures women's shoes. Among the many famous GENESCO names in shoes for women, girls and children are Delman, Ingenue, Mannequins, Acrobat, Storybook, I. Miller, Millerkins, Cover Girl, Party Goers, Datebook, Christian Dior, Fortunet, Bell Bros., Play Mates, Mademoiselle, Valentine, Vogue, Foamstep, Official Girl Scout Shoes, Laird Schober, Holiday, Kay King, Domani and Charm Step.

GENESCO entered the custom shirt field late in the fiscal year. A plant was established in Paterson, N. J. Individualized, made-to-order shirts will be manufactured and sold through many GENESCO and other retail stores. Whitehouse & Hardy will supervise the manufacturing operations. Shirts will be available in a wide range of fabrics; there will be a choice of more than forty different colors, body styles, cuffs, buttons, etc.

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Interior of one of Kingsboro Mills' modern plants. Kingsboro manufactures famed Rogers Lingerie. This is at McMinnville, Tennessee.

Three new developments were shown for the first time by L. Greif & Bro.—the Calendar Range suit can be worn in most climates virtually all year 'round; Fabulaire represents the first time a manufacturer has combined Dacron, worsted and mohair in a full-scale of weaves and patterns; the Universe model has an 'international' look, appropriate anywhere in the world. All suits will be available during the Spring of 1961.

NEW DEVELOPMENTS IN GENESCO'S RETAILING OPERATIONS

Bonwit Teller, New York, recently opened a new ninth floor—entirely for infants' wear, children's and junior wear. GENESCO's retail stores include Whitehouse & Hardy, Frank Bros.-Fenn-Feinstein, Gunther Jaeckel, Roger Kent, and Henri Bendel, as well as the world famous jewelers, Tiffany & Co.

One of the chain of Roger Kent stores in New York, Boston and Philadelphia—newly acquired by GENESCO. The Roger Kent stores sell a complete line of men's clothing—overcoats, top coats and suits, as well as men's furnishings. Roger Kent stores will be among those selling GENESCO's new made-to-order shirts.

In the forefront of the trend to free-standing, drive-in shoe stores are many of those selling various GENESCO brand name shoes. This Bell Bros. store is in Chattanooga, Tennessee. Shopping is made easier for the family with ample parking space in both the front and rear of the store.

A landmark in New Haven gets a new face—The Frank Brothers-Fenn-Feinstein store near the Yale University campus. The well-known men's clothing and shoe stores are located in New York, Chicago, and White Sulphur Springs.

The Gilded Gage is a unique cosmetics department at Henri Bendel, New York women's specialty store. It features the finest preparations and the best in service and beauty advice. It is located on Bendel's famed 'Street of Shops.'

GENESCO'S NEW PRODUCTS

Magic Rim, a new, basic manufacturing process eliminates as many as one-third of the steps in the manufacture of many types of shoes. Footwear with greater flexibility and comfort is produced and many of the Magic Rim operations permit precision shoe making, at the same time reducing the cost of manufacture. Above, left a pair of Johnston & Murphy shoes, one of regular construction, the other Magic Rim. The Magic Rim shoe is lighter and more flexible. Above, right, a pair of Millerkin Magic Rim shoes.

Cutting in GENESCO's new Magic Rim process is identical to that of the conventional method but the area of upper leather used is much less.

The sole is cement-attached to the rim, instead of to the lasted upper as in the conventional method. A strong, flexible cement is applied to the rim.

Five conventional steps already have been eliminated before this step: the operator inserts the last in the shoe and places the shoe in a sole press.

After the Magic Rim process has been completed, a full-length sock liner is inserted and fitted into the shoe to add extra softness to the inside.

first in apparel and footwear

During the year, GENESCO acquired Kingsboro Mills, manufacturers of Rogers Lingerie. Above, left, a gown and peignoir set of new Satin-Glo, a nylon tricot with a finish of satin. New products developed by Formfit include the 'Life' brassiere, above right, featuring a unique bias cut. Formfit also introduced Sleex Gala, created of Aire-lon and cut, and sewn in the same manner as a woven girdle. Sleex Gala is sectioned and contoured, lined with two-way stretch nylon and one-way stretch cotton with nylon in the back and front control panels.

Leather for shoe on left was treated with Adiprene, GENESCO's new secret method, at its Whitehall, Michigan, tannery. The shoe on the right is regular leather, untreated. Both shoes were worn for four weeks by a high school student who also worked on a farm. Photographs are unretouched.

GENESCO's General Adhesives and Chemical Co. developed new adhesives for on-the-job installations in the laminated drywall construction field; especially formulated adhesives for athletic equipment; as well as laminating, bonding and sealing adhesives for industry.

59 GENESCO PLANTS IN 15 STATES

MEN'S-BOYS' SHOES: 10 Plants.
ALABAMA—Huntsville; GEORGIA—Atlanta; TENNESSEE—Nashville (2), Gallatin (2), Tullahoma, Pulaski, Lewisburg, Waynesboro.

WOMEN'S SHOES: 16 Plants.
GEORGIA—Lawrenceville; KENTUCKY—Frankfort, Danville; MASSACHUSETTS—Spencer, Lawrence; MISSISSIPPI—Ripley, Iuka, Fulton; NEW YORK—New York City, Long Island City (2); PENNSYLVANIA—Carlisle, Harrisburg; TENNESSEE—Nashville, McMinnville, Cowan.

CHILDREN'S SHOES: 4 Plants.
GEORGIA—Carrollton; TENNESSEE—Camden, Hohenwald, Centerville.

WOMEN'S FOUNDATION GARMENTS (The Formfit Company): 6 Plants.
ILLINOIS—Chicago (2), Monmouth; INDIANA—Jasonville; NEBRASKA—Beatrice, Crete.

MEN'S CLOTHING (L. Greif & Bro. Inc.): 12 Plants.
VIRGINIA—Fredericksburg (2), Staunton (2); PENNSYLVANIA—Stewartstown, Everett, Hanover, Mount Union; MARYLAND—Westminster (2), Baltimore (2).

WOMEN'S AND CHILDREN'S LINGERIE (Kingsboro Mills, Inc.—Rogers): 3 Plants.
TENNESSEE—McMinnville, Lafayette, Daisy.

SILVERWARE MANUFACTURING (Tiffany & Co.): 1 Plant.
NEW JERSEY—Newark.

MADE-TO-ORDER SHIRTS: 1 Plant.
NEW JERSEY—Paterson.

OTHER PLANTS: 6
MICHIGAN—Whitehall (Upper Leather Tannery); TENNESSEE—Nashville (Rubber and canvas shoes for men, women and children; sole-cutting, box-making, chemicals and adhesives, heel-finishing.)

TOTAL PLANTS IN UNITED STATES: 59

PLANTS IN 10 OTHER COUNTRIES

(With varying degrees of financial interest and ownership by GENESCO.)

SHOE MANUFACTURING Plants. Mexico City, Mexico; Lima, Peru; Tokyo, Japan; Jerusalem, Israel; San Salvador, El Salvador.

LINGERIE Plant (Kingsboro Mills, Inc.): Rogers Lingerie de Venezuela, C. A.—Caracas, Venezuela.

WOMEN'S FOUNDATION GARMENT Plants (The Formfit Company): Sydney, Australia; Toronto, Canada; Kingston, Jamaica; Casablanca, Morocco. Also, licensee-manufacturers in Cape Town, South Africa and in Bogota.

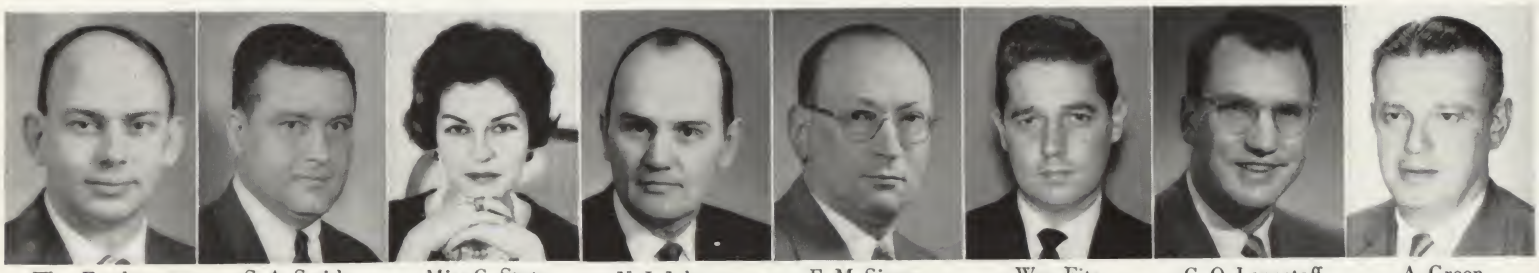
OTHER SHOE MANUFACTURING-RETAILING ASSOCIATES: Australia, Canada, Chile, France, Germany, Great Britain, Israel, Jamaica, Japan, Mexico, Morocco, Peru, El Salvador, South Africa, Switzerland, Uruguay.

15 YEAR STATISTICAL REVIEW, GENESCO

	TOTAL VOLUME OF BUSINESS	NET SALES LESS INTER-BRANCH BUSINESS	INCOME TAXES	NET EARNINGS	PER CENT OF NET EARNINGS TO NET SALES
1960	$363,573,007	$321,191,149	$6,489,000	$8,207,420	2.56
1959	318,994,324	276,422,417	8,217,000	8,642,891	3.13
1958	252,513,050	218,118,015	4,742,000	5,323,228	2.44
1957	260,491,846	223,266,996	5,345,000	5,798,590	2.60
1956	230,647,014	195,159,136	5,138,000	5,912,698	3.03
1955	201,300,993	167,863,881	4,776,000	5,262,135	3.13
1954	177,460,810	150,074,016	4,332,000	4,780,052	3.19
1953	137,337,975	111,179,210	4,485,000	3,565,829	3.21
1952	129,184,661	104,285,545	3,257,000	3,340,503	3.20
1951	128,284,627	103,238,890	2,954,000	3,570,939	3.46
1950	105,314,604	84,441,016	2,377,000	3,896,715	4.61
1949	96,066,589	77,694,162	1,521,000	2,416,379	3.11
1948	99,580,268	78,682,562	1,544,689	2,639,762	3.35
1947	97,248,511	78,142,458	1,937,792	2,566,500	3.28
1946	75,367,861	61,133,798	2,207,123	2,755,372	4.51

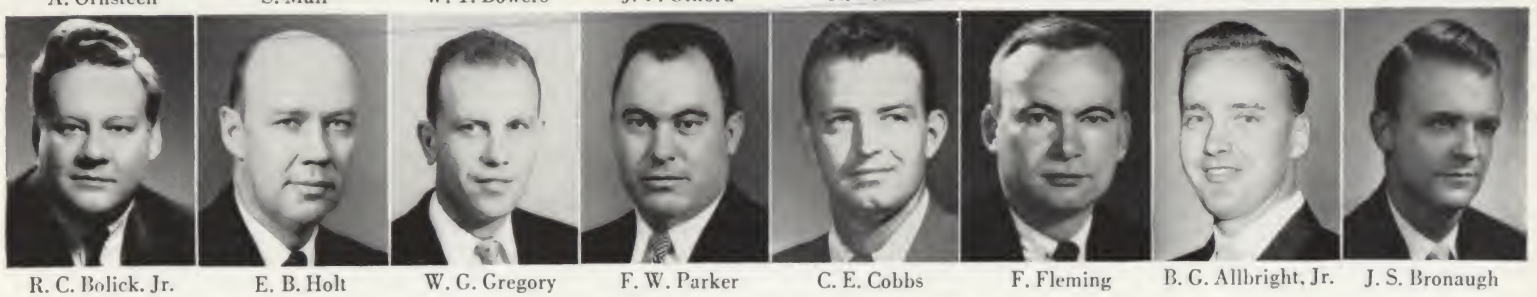
	OUTSTANDING SHARES COMMON STOCK*	DEPRECIATION AND AMORTIZATION	EARNINGS REINVESTED IN BUSINESS DEVELOPMENT	CURRENT ASSETS	CURRENT LIABILITIES	NET WORTH
1960	3,711,258	$4,575,062	$2,081,129	$155,726,631	$25,649,938	$99,600,000
1959	3,019,286	4,341,495	3,291,516	105,064,726	20,261,312	76,558,967
1958	2,471,867	3,937,764	964,882	87,328,877	11,968,993	63,613,655
1957	2,469,954	3,608,252	1,415,080	83,672,717	10,683,664	63,197,546
1956	2,469,954	2,984,454	2,155,459	79,465,823	12,601,851	62,007,554
1955	2,148,658	2,764,615	2,277,024	60,139,933	8,290,930	43,097,524
1954	2,148,464	2,715,266	1,920,345	51,310,281	8,009,772	41,049,121
1953	1,629,932	1,703,984	1,410,941	37,708,599	6,812,959	29,125,853
1952	1,533,060	1,630,415	1,234,308	34,909,457	5,607,942	27,140,887
1951	1,498,526	1,470,105	1,510,929	34,433,741	5,324,291	25,243,208
1950	1,467,580	1,253,112	1,918,216	29,501,823	4,268,950	23,233,487
1949	1,410,818	1,016,788	448,858	25,413,805	2,694,871	20,155,651
1948	1,410,264	1,146,767	669,562	24,580,470	1,847,178	19,749,974
1947	1,409,836	883,900	593,235	18,146,404	2,143,718	19,225,654
1946	1,408,642	547,675	1,560,922	17,723,628	1,309,947	18,692,768

** Reflects two for one stock split, March 9, 1956*



Wm. Earthman | S. A. Smith | Miss G. Stutz | V. J. Johnson | E. M. Simon | Wm. Fite | G. Q. Langstaff | A. Green

A. Ornsteen | S. Mall | W. T. Bowers | J. P. Gifford | A. Politz | F. Morrison | C. W. McGavock | D. L. Metcalf



R. C. Bolick, Jr. | E. B. Holt | W. G. Gregory | F. W. Parker | C. E. Cobbs | F. Fleming | B. G. Allbright, Jr. | J. S. Bronaugh

GENESCO OPERATING COMPANIES

D. J. Rose | E. E. Snyder | J. C. Phillips | L. Porter | S. T. Sacks | W. A. St. John | A. L. Rosenberg | W. L. Hammond

E. T. Booth | F. Brandon | C. Y. Richardson | J. N. Ramsey | W. Steele | Geo. Kirk | F. E. Durham | L. F. Vail

CORPORATE OFFICERS:

Maxey Jarman
Chairman

Ben H. Willingham
President

William M. Blackie
Executive Vice President & Chairman of Executive Committee

Matt S. Wigginton
Executive Vice President

Noble C. Caudill
Vice President & Treasurer

James P. Saunders
Vice President & Secretary

Howard D. Baldridge
Vice President

Harry A. Bass
Vice President

Sam A. Buchanan
Vice President

Candler W. Butler
Vice President

H. Nelson Carmichael
Vice President

Charles W. Cook
Vice President

Ralph H. Stollmack
Vice President

Houghton D. Vaughn
Vice President

E. DeVaughn Woods
Vice President

Otis C. Williams
Controller

Maxwell E. Benson
Assistant to Chairman

James H. Cheek, Jr.
Assistant Secretary

James G. DeLacey
Assistant Secretary

Maurice E. Miller
Assistant Secretary

Franklin M. Jarman
Assistant Treasurer

T. Douglas Oxford
Assistant Treasurer

James H. McIlhenny
Assistant Treasurer

BOARD OF DIRECTORS:

Howard D. Baldridge
William M. Blackie
Sam A. Buchanan
H. Nelson Carmichael
Noble C. Caudill
Charles W. Cook
Edward W. Graham, Jr.
J. Owen Howell, Jr.
Maxey Jarman
I. M. Kay
Sigmund W. Kundstadter
J. Harlan Lawson
Bernard E. Reed
James P. Saunders
Houghton D. Vaughn
William H. Wemyss, Sr.
Matt S. Wigginton
Otis C. Williams
Ben H. Willingham
E. DeVaughn Woods

GROUP EXECUTIVES

William M. Blackie,
General Retail Group

Matt S. Wigginton,
Standard Retail and General Marketing

Noble C. Caudill,
Service Group and Women's Under Apparel

H. Nelson Carmichael,
Southern Footwear

Sam A. Buchanan,
Men's Apparel Group

E. DeVaughn Woods,
Universal Group

Ralph H. Stollmack,
Metropolitan Group

Harry A. Bass,
New England Group

Howard D. Baldridge,
Gesco Sales Group

Houghton D. Vaughn,
Gesco Sales Group

MAJOR SUBSIDIARY DIRECTORS

BONWIT TELLER COMPANY

Edwin J. Beinecke
William M. Blackie
Walter Deiches
W. E. Humphreys
Maxey Jarman
William T. Leonard
William T. Lusk
Edward F. McGinley
Hunter S. Marston
Leon Mnuchin
Philip D. Reed
Serge Semenenko
Edgar W. Wherry
Matt S. Wigginton
Ben H. Willingham

THE FORMFIT COMPANY

Jerome Abeles
Noble C. Caudill
Richard H. Eckhouse
Victor Hartman
E. P. Hesser
Albert Kunstadter
John W. Kunstadter
Sigmund W. Kunstadter
W. J. Stelzer

L. GREIF & BRO., INC.

Sam A. Buchanan
David Greif, II
Irvin Greif
Irvin Greif, Jr.
Maxey Jarman
John E. Motz
Leonard Weinberg
O. C. Williams
Ben H. Willingham

KINGSBORO MILLS, INC.

Paul H. Quick
W. Gregory Quick
Richard H. Houck
Clesson A. Rogers
Noble C. Caudill
Ben H. Willingham

GENERAL RETAIL CORPORATION

William M. Blackie
Earl L. Britain
W. A. Givan
Dan W. Gregory
J. Owen Howell
Joe B. Long
Sherman E. Rose
Parks C. Runyon
O. C. Williams

SOUTHERN FOOTWEAR CO.

H. Nelson Carmichael
Candler W. Butler
Noble C. Caudill
James H. Cheek, Jr.
Brandon L. Edmondson
George Fort
James C. Hamblen
C. Wilbon Marlin
Bernard E. Reed
Walter W. Shirey
Paul J. Smith
George E. Stone
Eli G. White
Howard D. Baldridge
John A. Ball
Charles W. Cook
Houghton D. Vaughn
Matt S. Wigginton

HARDY SHOE STORES
Popular-priced high-value men's retail shoe stores.
Joe B. Long, President

HOLIDAY SHOE STORES
Popular-priced women's retail shoe stores.
Sherman E. Rose, President

INNES SHOE COMPANY
Medium-priced retail shoe stores in Los Angeles area—nationally advertised shoes for the family.
Bruce G. Allbright, Jr., President

INTERCONTINENTAL SHOE COMPANY
Provides technical and merchandising assistance to licensed manufacturers in other countries throughout the world.
H. Stephan Klausner, President

JARMAN AND DOUGLAS RETAIL COMPANY
Men's retail shoe stores and leased departments.
J. Stewart Bronaugh, General Manager

JARMAN SHOE COMPANY
Nationally advertised men's fine shoes.
Edward W. Graham, Jr., President

JOHNSTON & MURPHY SHOE COMPANY
Top-quality shoes for men.
Duke J. Rose, Vice President and General Manager

K. L. SHOE COMPANY
Women's private brand fashion shoes.
Harry A. Bass, President and Treasurer

ROGER KENT
Retail stores with men's clothing and accessories.
E. Emerson Snyder, President

KINGSBORO MILLS, INC.
Manufacturers-distributors of fashion lingerie.
Paul H. Quick, President

KLEVEN SHOE SALES COMPANY, INC.
Women's private brand fashion shoes.
Harry A. Bass, President and Treasurer

MANNEQUIN SHOE COMPANY
Nationally advertised women's fashion shoes.
Harry A. Bass, President and Treasurer

MID-CONTINENT RETAIL
Retail shoe stores and departments handling nationally advertised brands.
James C. Phillips, General Manager

I. MILLER SALONS
Women's retail shoe salons, featuring I. Miller and related fashion lines.
Lester Porter, President

I. MILLER SHOE COMPANY
Women's top-quality fashion shoes.
Sanford T. Sacks, President

MURPHY RETAIL COMPANY
Operating stores and departments featuring Johnston & Murphy shoes.
William A. St. John, General Manager

PRECISION SHOE COMPANY
Functional footwear for children.
A. L. Rosenberg, Vice President

PYRAMID SHOE MANUFACTURING COMPANY
Manufacturing plants in Southern states making men's and children's shoes.
Bernard E. Reed, General Manager

REPUBLIC SHOE COMPANY
Wholesale service organization for private label men's, women's and children's shoes.
Charles W. Cook, President

SENTRY SHOE COMPANY
Wholesale service organization for private label men's, women's and children's shoes.
William Lyle Hammond, Executive Vice President

SOLE LEATHER CONTRACT SERVICES
Erwin T. Booth, General Manager

SOMMER & KAUFMANN
Family shoe stores on West Coast with nationally advertised shoes.
Frank Brandon, Executive Vice President

STORYBOOK SHOE COMPANY
Popular-priced juvenile shoes.
Carlton Y. Richardson, Vice President

WILLIAM J. THRIFT COMPANY
Low mark-up general merchandise stores.
James N. Ramsey, President

TRIANGLE SHOE MANUFACTURING COMPANY
Men's shoe manufacturing plants in the South.
C. Wilbon Marlin, General Manager

UPPER LEATHER CONTRACT TANNING
Walter Steele, General Manager

VALENTINE SHOE COMPANY
Nationally advertised women's fashion shoes.
George Kirk, Vice President

VALMORE LEATHER COMPANY
Sells cut soles, whole sole leather and upper leather.
Felix E. Durham, Vice President

WHITEHALL LEATHER COMPANY
Upper leather tannery.
J. P. Saunders, President

WHITEHOUSE & HARDY STORES COMPANY
Men's fine apparel stores in New York and other cities.
Leslie F. Vail, President

WISE SHOE COMPANY
Medium-priced retail shoe stores in New York area—shoes for women.
Harry A. Bass, President

ACROBAT SHOE COMPANY
High-quality children's shoes.
William Earthman, Vice President

BELL BROTHERS, INC.
Popular-priced family shoe stores—for men, women and children.
Parks C. Runyon, President

BELLWOOD SHOEMAKERS
Women's popular-priced shoes to the department store and independent trade.
Sidney A. Smith, Vice President

HENRI BENDEL, INC.
Women's fine specialty store.
Miss Geraldine Stutz, President

BERLAND SHOE COMPANY
Women's popular-priced retail shoe stores.
I. M. Kay, President

BONWIT TELLER COMPANY
Women's fine specialty apparel stores.
Edgar W. Wherry, President

CAPITOL PRODUCTS COMPANY
Manufacturers of cartons and containers.
V. J. Johnson, President

CARLISLE SHOE COMPANY
Women's high-quality fashion shoes.
Ellis M. Simon, President

CEDAR-CREST SHOE COMPANY
Men's and boys' dress and work shoes and boots; also safety shoes.
William Fite, President

CHARM STEP SHOE COMPANY
Low-priced women's shoes for the independent trade.
George Q. Langstaff, President

CIRCLE SHOE MANUFACTURING COMPANY
A manufacturing organization operating women's shoe plants in the South.
Eli G. White, General Manager

DELDOR SHOE COMPANY
Women's retail shoe salons featuring Delman and related fashion lines.
Adolph Green, Vice President

DELMAN-DIOR SHOE COMPANY
Delman and Christian Dior women's top quality fashion shoes.
Alan Ornsteen, Executive Vice President

DOMANI SHOES
Importers and distributors of men's and women's shoes.
Sidney Mall, General Manager

DOMINION SHOE COMPANY
Wholesale shoe distributor serving private label volume accounts.
W. Thomas Bowers, Vice President

W. L. DOUGLAS SHOE COMPANY
Men's and boys' dress and service shoes and Official Boy Scout shoes.
John P. Gifford, Vice President

ENGLISH-AMERICAN TAILORING CO.
Individualized made-to-order men's clothiers.
Arthur Politz, President

FABRICA NACIONAL DE CALZADO EL TRIUNFO
Manufacturers of men's, boys' and women's shoes in Peru; also retail stores.
Fred Morrison, Executive Vice President

FABRICA DE ZAPATOS ECLIPSE
Manufacturers of men's shoes in Mexico; also retail stores.
Charles W. McGavock, Executive Vice President

FLAGG BROS.
Men's retail shoe stores featuring styles for young men.
J. Owen Howell, President

THE FORMFIT COMPANY
Manufacturers and distributors of women's foundation garments.
Sigmund W. Kunstadter, President

FORTUNE SHOE COMPANY
Fortune and Davidson shoes for men and boys, and Official Boy Scout shoes.
Dee L. Metcalf, Vice President

FRANK BROS.-FENN-FEINSTEIN
Men's fine apparel stores.
Robert C. Bolick, Jr., President

GENESCO RETAILERS' SERVICE AGENCY
Assists privately owned retail shoe stores with merchandising and other services.
Ernest B. Holt, General Manager

GENERAL ADHESIVES AND CHEMICAL COMPANY
Industrial adhesives, waxes, cements, finishes.
Warren G. Gregory, President

GENESCO ACCEPTANCE CORPORATION
Finance subsidiary.
Noble C. Caudill, President

GENESCO EXPORT COMPANY
An organization specializing in selling GENESCO products in many foreign countries.
Francis W. Parker, General Manager

GENFOAM SHOE COMPANY
Men's, women's and children's vulcanized shoes.
Clarence E. Cobbs, Manager

GLENDALE SHOE COMPANY
Low-heel fashion shoes for young women of all ages.
Frank Fleming, President

L. GREIF & BRO., INC.
Manufacturer of men's clothes in the medium price brackets.
Irvin Greif, Sr., Chairman
David Greif, II, President

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H. NELSON CARMICHAEL
NOBLE C. CAUDILL
JAMES H. CHEEK, JR.
CHARLES W. COOK
EDWARD W. GRAHAM, JR.
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FRANKLIN M. JARMAN
MAXEY JARMAN
I. M. KAY
H. STEPHAN KLAUSNER
SIGMUND W. KUNSTADTER
J. H. LAWSON
JOE B. LONG
C. WILBON MARLIN
MAURICE E. MILLER
PAUL H. QUICK
BERNARD E. REED
SHERMAN E. ROSE
PARKS C. RUNYON
JAMES P. SAUNDERS
RALPH H. STOLLMACK
HOUGHTON D. VAUGHN
EDGAR W. WHERRY
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MATT S. WIGGINTON
OTIS C. WILLIAMS
BEN H. WILLINGHAM
E. DEVAUGHN WOODS
WM. H. WEMYSS

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D. Greif, II | J. O. Howell | F. M. Jarman | Maxey Jarman | I. M. Kay

H. S. Klausner | S. W. Kunstadter | J. H. Lawson | J. B. Long | C. W. Marlin

M. E. Miller | P. H. Quick | B. E. Reed | S. E. Rose | P. C. Runyon

J. P. Saunders | R. H. Stollmack | H. D. Vaughn | E. W. Wherry | E. G. White

M. S. Wigginton | O. C. Williams | B. H. Willingham | E. D. Woods | W. H. Wemyss

Corporate Offices:
111 Seventh Avenue, N.
Nashville 3, Tennessee

New York Office:
730 Fifth Avenue
New York 19, N. Y.

TRANSFER AGENTS:

Common stock: Morgan Guaranty Trust Company, New York, N. Y. and First American National Bank, Nashville, Tennessee.

All Preference stock: Morgan Guaranty Trust Company, New York, N. Y.

REGISTRARS:

Common stock: Chemical Bank New York Trust Company, New York, N. Y., and Nashville Bank and Trust Company, Nashville, Tennessee.

All Preference stock: Chemical Bank New York Trust Company, New York, N. Y.

Annual meeting of stockholders, March 6, 1961.